EXHIBIT A

Exhibit A

Funded Status of the Grace Retirement Plans

As of January 1, 2006 and January 1, 2007, depending on the measure of liability, the funded status of the Grace Retirement Plans, is specified in the following chart.[1]

January 1, 2006 (all amounts in millions)

Measures of Liability	Economic Obligation (FAS 35)	ABO	PBO	ERISA/ "Current Liability"[2]
[redacted]	$ 743	$ 947	$ 995	$898
Asset Value[3]	700	645	645	656
Funded Status	$ –43	$ –302	$ –350	-242

January 1, 2007

Measures of Liability	Economic Obligation (FAS 35)	ABO	PBO	ERISA/ "Current Liability"
[redacted]	752	926	962	934
Asset Value	769	737	737	704
Funded Status	+17	-189	-225	-230

Change From 1/2006 to 1/2007

Measures of Liability	Economic Obligation			ERISA/ "Current

1 See the Prior Funding Motions for a more detailed explanation of the various funded status measurements.

2 The "ERISA / Current Liability" calculation is used for funding purposes under Internal Revenue Code section 412. The principal reason for the increase in the "current liability" from $898 million in 2006 to $934 million in 2007 is the legal requirement to calculate 2007 liabilities using a new mortality table that was published by the IRS on February 2, 2007 (72 FR 4955). Also, a smaller portion of the increase is the result of other assumption changes (e.g., significant lump sum payouts during 2007, and the cessation of lump sum payouts after December 2007 until January 2013, as a result of the application of the recently enacted Pension Protection Act to the Debtors' Chapter 11 status). The liability increases were quantified by AON as part of the 2007 actuarial valuation report completed in early May 2007. The increased liability amount for the 2007 plan year leads to increased minimum required contributions for that plan year (and thereafter) under Code section 412, when compared to the prior estimates (which were based on the former mortality table and other prior assumptions). See footnote 12 in the body of the motion for information regarding the actual amount by which the 2007 plan year contributions increased, as a result of the increased 2007 liability.

3 Explanation of "Asset Value." Under FAS 35, the appropriate "asset value" for each plan year is the market value plus receivables as of the last date of the preceding plan year. The "asset value" for the ABO and PBO (under FAS 87) is the "market value" but does not include such receivables. The "asset value" for the "ERISA / Current Liability" measure is the three-year average "actuarial" asset value, not market value. Note, 2007 is the last year that this "actuarial" asset value measure may be used to calculate the "current liability". Thereafter, calculating that asset value will be subject to a regulation under ERISA that has not yet been finalized.